



STRAIGHT TALK

PROPERTY INVESTOR /OWNER NEWSLETTER

July 2016

A Great Time Was Had By All!



Our End of Financial Year celebration event held on 28th June was a great success!

Clients and friends gathered at the Mawson Lakes Hotel to hear a fantastic presentation by property investor Rachel Barnes.

Rachel shared her story of how she and her partner purchased 75 properties over 64 months which gave them the opportunity to quit their day jobs and go travelling.

Feedback has been excellent with many people saying how much they got from the evening.

We were also able to reward two of our friends for sending us new client referrals. The best form of advertising is word of mouth and we are always thrilled to get new clients.

Another highlight was to receive our "Investor Friendly" certificates for our team members for Rachel, having completed her course recently.

We look forward to putting on another event in the future.

What We Have Rented in June

Demand in June from tenants has been very strong and we have successfully leased the following properties:

- Salisbury 3BR House - \$310 pw
- Elizabeth East3BR Semi - \$215 pw
- Smithfield 3BR House - \$255 pw
- Munno Para West3BR House - \$290 pw
- Salisbury.....3BR Town House - \$260 pw
- Smithfield Plains3BR House - \$255 pw
- Hillbank3BR House - \$315 pw
- Wynn Vale 3 BR Town House - \$310 pw

Please contact our office or visit our website at kevinhodges.com.au to find out how we can help you with your investment property.



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Reaping The Benefits of Renewing Your Tenant's Lease



Ensuring a continued tenancy is paramount in order for you to budget for regular and ongoing rental income.

Not only this, but a tenant on a fixed term lease on an ongoing basis means more income as the property will not become vacant or suffer additional wear and tear through the tenant vacating and a new tenant moving in.

We understand this and will, with your consent, approach your tenant prior to the lease expiring in order for them to renew the lease.

Prevailing legislation dictates that the option is with the tenant if they would like to sign a new lease.

Should you wish to enter into a new lease with your current tenant, we will use all avenues to ensure that the lease is signed.

We will inform your tenant that by entering into a fixed term lease we can guarantee them security of tenure for that term, where if they remain on a continuing tenancy we cannot give that guarantee.

In some instances the offer of a moderate rent increase as against a higher one is another inducement that can be made to ensure that your tenant signs a lease and you have peace of mind.

Like the idea of more \$\$ in your pocket?

With the end of financial year upon us, now is the time to re-visit the tax advantages of owning an investment property.

It is timely now to arrange to have a tax depreciation schedule on your investment property.

The preparation of a tax depreciation schedule by a qualified quantity surveyor will enhance the tax deductions available to you. Most importantly, your property does not have to be new to gain the benefits that a tax depreciation schedule can give you.

You should be claiming the maximum depreciation entitlements available to you. As your property gets older, items begin to wear out. They depreciate in value and the ATO allows property investors to claim tax back for depreciation. The same goes for the building structure. The building wears out over time and a loss can be claimed. This is called building write off.

Many plant and equipment items within an investment property are able to be depreciated over their effective lives. Such items include hot water systems, floor coverings, blinds, curtains, ovens and cook tops, range hoods, light fittings, ceiling fans, air conditioners, smoke alarms, clothes dryers and dishwashers.

In addition to assisting you and your accountant when preparing your taxation return, it is important to remember the property related expenses that may be available to you in addition to depreciation.

Such deductible expenses include interest, accounting fees, repairs and maintenance costs, borrowing costs, management fees, legal and accounting fees, insurance, mortgage insurance, rates, and capital deductions.

We can recommend a tax depreciation specialist to assist you with maximising the tax depreciation deductions available to you.

The preparation of the report is tax deductible and will assist your accountant in the timely processing of your income tax return.